

**Office of Economic Development
Economic Development Advisory Board
MEETING MINUTES**

Date: December 6, 2011: **Time:** 7:30 A.M.

MEMBERS PRESENT

Rich Adams
Terry Benelli
Jeff Pitcher
Tony Siebers
Jo Wilson
Steve Wood

EX-OFFICIO

Mayor Scott Smith (excused)
Chris Brady (excused)
Brian Campbell
Jeff Crockett
Steve Shope
Peter Sterling

STAFF PRESENT

Betsy Adams
William Jabjiniak
Shea Joachim

MEMBERS ABSENT

Mitzi Montoya (unexcused)
Steve Parker (excused)

GUESTS

Howard Steer

1. Chair's Call To Order

Chair Jeff Crockett called the December 6, 2011 meeting of the Economic Development Advisory Board to order at 7:38 a.m. at the City Council Chambers, Lower Level, 57 E. 1st Street, Mesa, AZ 85201.

2. Items from Citizens Present

None.

3. Approval of Minutes from November 1, 2011 board meeting.

Chair Crockett called for a motion to approve the minutes from the meeting held on November 1, 2011.

MOTION: Jo Wilson moved that the minutes from November 1, 2011 be approved as written.
SECOND: Steve Wood
DECISION: Passed unanimously.

4. Acceptance of Letter of Resignation from Dan Olson

Chair Crockett acknowledged and accepted a Letter of Resignation from Mr. Dan Olson, effective immediately, due to a transfer back to Minneapolis, Minnesota.

5. Review and Discuss Economic Development Performance Measures Report

Chair Crockett stated the item had been requested to be pulled from the agenda for December.

Mr. William Jabjiniak stated he requested the item to be pulled from the agenda for December. The decision to remove this item from the agenda and place it on the agenda for February, 2012 was to be able to include a full six months' worth of performance measures. This will provide a more inclusive and up to date presentation of performance measures.

6. Light Rail Business Assistance Update

Mr. Shea Joachim stated the light rail expansion project is moving along with the expansion of stations. Currently the Light Rail ends at Sycamore Street, but will be extended another 3 miles to Mesa Drive. Construction on the project is scheduled to begin spring 2013 with the addition of four stations located at Alma School, Country Club, Center Street, and Mesa Drive.

Mr. Howard Steer, of METRO, explained the time-frame on how the execution of the light rail was to be completed. Typically the design, bid and build phase happened; however the design phase and then construction phase will be more efficient in providing opportunities to minimize impacts and also expedite the construction process. The utility relocation work will start in the spring of 2012, followed by construction from 2013 through 2015. There will be a one year test phase with an official start-up scheduled in 2016.

The purpose of a Business Outreach Program is to: Support the retention of all businesses directly affected by construction; Minimize construction impacts; Establish lines of communication with the impacted business community; and provide a one-stop-shop for stakeholders.

Several, but not all, of the Business Assistance Partners are: City of Mesa; West Mesa Community Development Corporation (WMCDC); Neighborhood Economic Development Corporation of Mesa (NEDCO); Small Business Development Center (SBDC); Downtown Mesa Association (DMA); Mesa Chamber of Commerce; and Friends of Transit.

METRO has a Business Assistance Toolbox with outreach items such as: Construction Outreach; Signs and Banners; 24-Hour Hotline; Community Advisory Board (CAB); METRO MAX Rewards Program; Customer Postcards; Peer-to-Peer Business Forum; General Marketing Support; and Multi-Marketing Campaigns.

Mr. Steer explained the most recent activity has been Business Assistance Meetings, canvassing, a Peer to Peer meeting hosted by the Mesa Chamber of Commerce, Community Working Group presentations, presentations to Community/Advisory groups, on-going one on one stakeholder meetings, and continued support of the business partners.

He explained the next steps were to continue public involvement and to encourage active involvement in the programs. Also to provide presentations to the community/advisory groups, hold stakeholders meetings, and hold 2nd Friday events along with other events. Metro is working on establishing monthly meetings with the business partners, and promoting the METRO MAX Rewards program. A 24 -hour project hotline will become active followed by a Meet and Greet the contractor culminating in a Construction Kick-off.

Mr. Steer referred to a question asked by the EDAB Board members several months ago as to how EDAB could help during the light rail extension process. He thought the idea of the EDAB Board members writing a letter in support of the project and businesses would be helpful. Although he suggested the most helpful way would be in getting the message out as to the importance of the programs available, especially to assess the health of their business. He also thought EDAB could be most helpful to encourage businesses to think creatively and participate in the free programs offered by METRO.

Mr. Brian Campbell recommended METRO keep in place the Business Outreach programs during and after the entire impact construction phases.

Mr. Steer commented that the total time of construction would take up to 32-36 months and then a year of testing the track and rail cars would take the total time up to the 4 year mark or into 2016.

Mr. Tony Seibers wondered how many businesses would be impacted and how many of those businesses were taking part in some or all of the programs offered.

Mr. Steer responded there are approximately 350 - 400 businesses along the 3 mile extension that will be impacted. How many will take part in the programs being offered is unknown as of this date.

Mrs. Terry Benelli briefed businesses between Sycamore and Mesa Drive and First Avenue to First Street in June 2011. Out of the businesses contacted only 117 have applied for any of NEDCO's programs. Originally all of the businesses contacted in June 2011 said they did not need any assistance. The businesses are struggling even before any construction begins.

She stated the consultants involved with the programs believe a comprehensive marketing effort for the entire stretch is needed immediately. The stretch is being called the Downtown Main Street Corridor, which is mainly from Sycamore to Mesa Drive. NEDCO has covered some production costs for businesses to use collateral materials to promote the entire downtown area. Some video productions have been produced spotlighting downtown and focusing on what and why downtown is such a great place to come to. We are hoping the businesses will join us and utilize the materials.

Downtown Mesa Association (DMA) has a budget of approximately \$900,000 of which \$20,000 can be used for advertising. The whole campaign is about educating people to come to Mesa's downtown businesses via other streets other than Main Street.

Another opportunity for the businesses is to become a member of the Mesa Chamber of Commerce. Being a member of the Chamber of Commerce will provide an opportunity for the businesses to have a voice in the community.

Chair Crockett suggested that the Board members be an advocate for the programs available during the Light Rail extension construction and to encourage Mesa residents to utilize the businesses and services along the Light Rail.

Vice-chair Rich Adams re-enforced the continued education of the business owners of the programs available to help them survive and thrive during the extension phases of construction. It is also important to remind them of the opportunities that will be coming after completion of the Light Rail extension.

7. Subcommittee Updates

Mr. Jabjiniak provided a brief update on the Higher Education Initiative. There were 12 qualified responses to the RQI's. Ten of the 12 agreed to a site visit. We are working with 3 additional colleges. Several of the colleges have returned for a second site visit. Site visits have taken place right up through November 30, 2011 with more visits scheduled into early 2012.

The rankings the Higher Education Subcommittee had set early on have helped to guide some of the decision making on how to approach, decide, and to encourage the colleges to consider Mesa. There are 3 targeted areas; Downtown; West Mesa; and the Power Knowledge Corridor. There is high interest and not many have fallen out after their site visits, but have been amazed at the opportunities.

Our office is working on a Memorandum of Understanding (MOU) for the first interested college, which is focused on a Downtown property. Several others are being encouraged to look at other locations in the City, including the Fiesta area and the Power Knowledge Corridor.

There has been a very positive response with a wide variety of programs. Several colleges have progressed and proceeded on their own.

Mr. Jabjiniak has asked Ms. Jaye O'Donnell to pull the Higher Education Subcommittee back together again, at which time the subcommittee will be briefed more in depth. A meeting will be scheduled soon.

MR. Steve Shope commented that after being involved with numerous site visit meetings he was extremely impressed with the quality of the colleges that have visited. The colleges are nationally known and provide a tremendous opportunity for Mesa.

Chair Crockett gave kudos to Mr. Jabjiniak and his team. He stated the Higher Education Initiative has been a successful project.

Mr. Campbell recommended Chair Crockett appoint to the Higher Education Subcommittee Natascha Ovando-Karadsheh and Keiko Dilbeck as Ex-Officio members. They have offered their expertise as Board members serving on the Museum and Cultural Advisory Board.

Chair Crockett concurred and proceeded with the recommendation to appoint Natascha Ovando-Karadsheh and Keiko Dilbeck to the Higher Education Subcommittee as Ex-Officio members.

Mr. Jabjiniak proceeded with the Healthcare Subcommittee report. He stated that the consultant was talked to regarding the next steps and what the frame-work would be. The consultant was encouraged to submit suggestions for the subcommittee to assess the suggestions. Starting early next year the Healthcare Initiative will begin to move forward, based on the success of the Higher Education Initiative.

8. Mesa Redevelopment Authority Executive Board Update regarding the AZLabs

Mr. Campbell reported the AZLabs have been very busy. Dr. Rick Shangraw resigned from the Board; however Dr. Virgil Renzulli was appointed in his place.

The potential for a group of contractors to take the entire space down is a possibility. Along with this possibility are long-term planning and actual expansion of the SKIFT facility that would allow maximization of the space on six-and a half acres and then work on expanding the space.

The AZLabs Board has formed Subcommittees on Marketing and National Strategic Alliances. Meetings have been conducted with representatives from TRIO to integrate the entire process of the AZLabs into the state wide Aerospace Initiative that is beginning to unfold.

Mr. Campbell stressed that there is no tenant yet, but a tremendous amount of interest has been generated for this site.

9. Director's Report

Mr. William Jabjiniak commented negotiations are moving forward on a price and conceptual design. Progress is being made, but there will be a slight delay in the ground breaking until April or May 2012. The scope has changed going from 6 1/2 fields to 7 fields with two more possible fields. There are more growth possibilities with dormitories in play now, which were not in the original scope. The golf course will remain open until the end of April 2012.

The Oakland A's have approached the City with the possibility of back-filling in Hohokam Park when the A's lease expires at Papago in 2014. The City of Mesa did not contact them, but they contacted the City. The A's have asked for an exclusive period of time to evaluate the facilities, and to watch and see how a Spring Training operation actually goes at Hohokam. A workable opportunity is possible with the Oakland A's.

Today, December 6, 2011, Phoenix-Mesa Gateway Airport will be announcing a second airline starting service in February 2012.

Neighborhood Service will provide discussion and briefing on how to evaluate and rank CBDG projects at the January 3, 2012 EDAB meeting. The actual evaluation and ranking will occur at the February 7, 2012 EDAB meeting.

All city offices will be closed for the Christmas and New Year's Holidays on Monday, December 26, 2011 and Monday, January 2, 2012.

10. GPEC Update

Mr. Campbell highlighted the Brookings Institute opportunity that was brought to the region by Mayor Smith. The Brookings Institute is part of a national program to help regions create economic plans that focus and help areas compete nationally for dollars. The partners involved in the program, in addition to GPEC are: Maricopa Area Government (MAG); ASU; and Thunderbird. The exciting things coming out of that program is they are going to focus on 2 of the strengths that we have in Mesa. One of the strengths for Mesa is the renewable energy focus and aerospace.

The other exciting piece coming out of GPEC is an agreement to partner with East Valley Partnership on a Venture Capital Initiative. It is not going to be the complex task of actually creating a Capital Venture Fund, but instead bringing in nationally respected Venture Capital consultants. The consultants will assist the companies, which have been identified in the supply chain, and where the support is needed in these critical sectors. They will also assist in providing the key businesses and services to our major employers in the region, and assist in obtaining Venture Capital to enable their growth. It is an exciting expansion and retention plan that will again focus on primarily the East Valley and Mesa. GPEC has been very excited about stepping up and directing resources to Mesa.

11. Other Business

Chair Crockett reminded EDAB members the next scheduled meeting is on January 3, 2012, 57 E. 1st Street, City Council Chambers, Lower Level, Mesa, AZ 85201.

Chair Crockett wished everyone a safe and Happy Holiday season.

12. Adjournment

Chair Crockett adjourned the Board meeting at 9:02 a.m.

Submitted By:

William J. Jabjiniak
Economic Development Department Director
(Prepared by Betsy Adams)